

FINAL STATEMENT OF REASONS

- a) Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary

Section 40-187.1

Specific Purpose:

This section is amended to expand the definitions to include intercounty collection procedures in Sections 40-188 through 40-197.

Factual Basis:

This amendment is necessary to clarify that the definitions apply to both intercounty transfer and intercounty collection procedures.

Section 40-188.139

Specific Purpose:

This section is adopted to require the first county to provide the second county with specific documentation when an overpayment recoupment will be continued by the second county at the end of the transfer period.

Factual Basis:

This section is necessary to ensure that the second county has an accurate repayment record showing the amount of the overpayment that has been repaid and the outstanding balance to continue to be recouped through grant adjustment.

Section 40-190.51

Specific Purpose:

This section is amended to require that the first county notify and provide the second county with the overpayment repayment record(s) necessary to continue the overpayment adjustment when the second county assumes responsibility for the provision of aid.

Factual Basis:

This amendment is necessary to make specific the requirement that the first county notify the second county of the outstanding overpayment and to provide documentation to facilitate the continuing collection of the overpayment at the end of the transfer period. The collection of CalWORKs overpayments is required under Section 11004, Welfare and Institutions Code.

Section 40-190.52

Specific Purpose:

This section is amended to instruct the second county to continue the overpayment recoupment by grant adjustment upon completion of the intercounty transfer.

Factual Basis:

This section is necessary to make specific the requirement for continued overpayment recoupment by the second county. The collection of CalWORKs overpayments is required under Section 11004, Welfare and Institutions Code.

Section 40-190.521

Specific Purpose:

This section is adopted to require the second county to continue the overpayment recoupment until it is repaid in full.

Factual Basis:

This section is necessary to ensure that overpayments are recouped as required by Section 11004, Welfare and Institutions Code.

Section 40-190.522

Specific Purpose:

This section is adopted to specify that if a subsequent intercounty transfer occurs, the new county of residence will assume responsibility for the continued collection of the overpayment.

Factual Basis:

This section is necessary to ensure the continued recoupment of overpayments, if the recipient moves to a subsequent county, as required by Section 11004, Welfare and Institutions Code.

Section 40-190.523

Specific Purpose:

This section is adopted to specify that the second county is responsible for continued recoupment of an outstanding overpayment after aid has been discontinued, through appropriate collection procedures (other than grant adjustment).

Factual Basis:

This section is necessary to comply with the requirements for recoupment of overpayments as specified in Section 11004, Welfare and Institutions Code.

Section 40-190.524

Specific Purpose:

This section is adopted to specify that the county collecting the overpayment shall retain the amount collected and is entitled to receive any resulting incentive payment regardless of where the overpayment occurred.

Factual Basis:

This section is necessary to establish a protocol that will allow the county that collects the overpayment to keep the amount collected and receive the collection incentive.

Section 40-190.524 (Handbook)

Specific Purpose:

This handbook reference is added to cross-reference the overpayment recovery and recoupment regulation sections.

Factual Basis:

This handbook reference is necessary to cross-reference the policies and procedures relative to overpayment recoupment for clarity.

Section 63-801.782

Specific Purpose/Factual Basis:

The specific purpose of this section is to add the word "and" for clarity.

Section 63-801.782(a)

Specific Purpose:

This section is amended to modify the procedure for the intercounty collection of food stamp overissuances. For households currently receiving food stamp benefits, it will require the former county, in all instances, to transmit overissuance collection information to the new county of residence. These amendments will transfer the responsibility for the initiation or continuation of the overissuance collection to the current county of residence until paid in full or the recipient moves to a subsequent county.

Factual Basis:

This amendment is necessary to improve efficiency, align with the procedures for the collection of cash aid overpayments (Section 40-190), and may reduce county administrative costs related to overissuance collections. The collection of food stamp overissuances is required by federal law and regulation at Section 7 CFR 273.18.

Section 63-801.782(b)

Specific Purpose:

This section is adopted to specify that for households no longer receiving food stamp benefits, the last county welfare department that provided benefits is required to continue collecting the overissuance until repaid in full.

Factual Basis:

This amendment is necessary to increase collections, reduce costs, and to align with the procedures for the collection of cash aid overpayments (Section 40-190). The collection of food stamp overissuances is required by federal law, regulation Section 7 CFR 273.18.

Section 63-801.782(b) (Handbook)

Specific Purpose:

This handbook material is added to provide an example of the overissuance collection procedure for households that reapply for benefits and are currently subject to an overissuance collection that was established in a different county per Section 63-801.782(b).

Factual Basis:

This handbook material is necessary to clarify the procedure in cases where the household no longer receives food stamp benefits, a prior overissuance is still being collected, and the family subsequently moves to another county and reapplies for food stamp benefits.

Section 63-801.783

Specific Purpose:

This section is adopted to specify that claim collection incentives will be paid to the county welfare department for the overissuances collected by that county.

Factual Basis:

This section is necessary to specify that the county collecting the overissuance is entitled to the incentive regardless of what county the overissuance originated in. County welfare departments are more likely to collect overissuances if they are entitled to receive the collection incentive.

b) Identification of Documents Upon Which Department Is Relying

7 CFR 273.18

c) Local Mandate Statement

These regulations do impose a mandate upon local agencies, but not on local school districts. There are no reimbursable state-mandated costs because these regulations make only technical and clarifying changes. The mandate does not require reimbursement pursuant to part 7 (commencing with Section 17500) of Division 4 of the California Constitution because implementation of the regulations will, if anything, result in negligible costs.

d) Statement of Alternatives Considered

CDSS has determined that no reasonable alternative considered would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed action.

e) Statement of Significant Adverse Economic Impact On Business

CDSS has determined that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

f) Testimony and Response

These regulations were considered as Item #1 at the public hearings held on December 17 and 18, 2002 in Monterey Park and Sacramento, California, respectively. No written or oral testimony was received during the 45-day comment period from October 25, 2002 to 5:00 p.m. December 18, 2002.

g) 15-Day Renotice Statement

CDSS did not renote these regulations because no changes requiring renote were made to the regulations following the public hearing.